

AMENDED IN SENATE MARCH 8, 2010
AMENDED IN SENATE AUGUST 25, 2009
AMENDED IN SENATE JULY 23, 2009
AMENDED IN SENATE JULY 14, 2009
AMENDED IN SENATE JUNE 23, 2009
AMENDED IN SENATE JUNE 11, 2009
AMENDED IN ASSEMBLY MARCH 24, 2009
AMENDED IN ASSEMBLY FEBRUARY 10, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 33

Introduced by Assembly Member Nava

December 1, 2008

~~An act to amend Sections 11302 and 11310 of, and to amend, repeal, and add Sections 10000, 10050, 11301, and 11313 of, the Business and Professions Code, to amend, repeal, and add Sections 25005 and 31004 of the Corporations Code, to amend Sections 4970 and 23001 of, to amend and repeal Section 252 of, to amend, repeal, and add Sections 112, 210, 4805.055, 5104, 5106, 12003, 14003, 17002, 18002, 18002.5, 22005, 30002, 31055, and 33045.5 of, to add Sections 23002 and 50003.5 to, and to add Division 0.5 (commencing with Section 25) and Division 20.5 (commencing with Section 55000) to, the Financial Code, and to amend Section 11552 of, and to amend, repeal, and add Sections 13975 and 13978.6 of, the Government Code, relating to financial services, and making an appropriation therefor. An act relating to sex offenders.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 33, as amended, Nava. ~~Financial services. Sex offenders.~~

Existing law generally regulates parole.

This bill would express the intent of the Legislature to enact legislation to strengthen California's parole requirements for sex offenders who are convicted of crimes against a minor.

Existing law establishes the Department of Financial Institutions, the Department of Corporations, the Department of Real Estate, and the Office of Real Estate Appraisers in the Business, Transportation and Housing Agency.

Existing law provides for the licensing and regulation of, among others, banks, credit unions, and other financial institutions by the Commissioner of Financial Institutions. Existing law provides for the licensing and regulation of, among others, residential mortgage lenders and finance lenders by the Commissioner of Corporations. Existing law provides for the licensing and regulation of, among others, real estate brokers and salespersons by the Real Estate Commissioner. Existing law provides for the licensure and regulation of real estate appraisers by the Director of the Office of Real Estate Appraisers. Existing law provides for the Real Estate Fund, a continuously appropriated fund, for purposes of providing funding for the regulation and enforcement of the Real Estate Law.

This bill would do the following, effective July 1, 2011: (1) establish a new Department of Financial Services (DFS) in the Business, Transportation and Housing Agency (BTHA), (2) designate the chief officer of DFS as the Commissioner of Financial Services, (3) transfer the powers, duties, purposes, jurisdiction, responsibilities, and functions of the Department of Corporations (DOC) and Department of Financial Institutions (DFI) to 2 new divisions under the DFS, the Division of Corporations and the Division of Financial Institutions, (4) designate the Commissioner of Corporations and the Commissioner of Financial Institutions as the directors of the Division of Corporations and the Division of Financial Institutions, respectively, (5) establish a new Office of Financial and Real Estate Consumer Advocacy within the DFS, and (6) transfer authority over real estate appraisers to the Department of Real Estate (DRE) under the Real Estate Law.

This bill would, effective July 1, 2012, transfer from the DRE to the Division of Corporations the authority to license, regulate, enforce, and discipline real estate licensees engaged in residential real estate financial

services, as specified. The bill would, by July 1, 2011, require the Commissioner of Financial Services to, among other things, adopt or amend regulations and rules to implement this transfer. The bill would establish the Real Estate Financial Services Fund and the Real Estate Financial Services Recovery Account within the fund, both with continuously appropriated funds, and would direct that a specified percentage of licensure fees paid by those licensees engaging in residential real estate financial services be deposited in the recovery account. The bill would authorize an aggrieved person with a final judgment against a licensee to file an application, that includes a statement under penalty of perjury, with the Division of Corporations for payment from the recovery account. The bill would make these provisions relating to the fund and the account operative on July 1, 2012. By creating a continuously appropriated fund and account, the bill would make an appropriation. By expanding the crime of perjury, the bill would impose a state-mandated local program.

In order to implement the above provisions, this bill would require the Secretary of the BTHA, in consultation with DFI, DOC, DRE, and the Office of Real Estate Appraisers, to, on or before January 1, 2011, report to the Legislature and make specified recommendations regarding the consolidation of these entities and their respective operations. This bill would appropriate \$150,000 from the General Fund portions of the Real Estate Fund to the Secretary of the BTHA to fund the reports, thereby making an appropriation. The bill would make findings and declarations in this regard, and would make technical and conforming changes to related provisions and definitions.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: $\frac{2}{3}$ -majority. Appropriation: yes-no. Fiscal committee: yes no. State-mandated local program: yes-no.

The people of the State of California do enact as follows:

- 1 *SECTION 1. It is the intent of the Legislature to enact*
- 2 *legislation to strengthen California's parole requirements for sex*
- 3 *offenders who are convicted of crimes against a minor.*

1
2
3
4
5

**All matter omitted in this version of the bill
appears in the bill as amended in the
Senate August 25, 2009. (JR11)**

O